

THE FEDERAL SPOTLIGHT**Retirement Bill Changes Offered
To Win Employe Unions' Backing**

By JOSEPH YOUNG
Star Staff Writers

An attempt to make the retirement financing bill more attractive to the postal and federal employe unions was made yesterday in the House Civil Service Committee.

The bill has been approved by the committee's retirement subcommittee and is now up for committee action.

Rep. Robert Corbett, R-Pa., offered an amendment to compute government annuities on the basis of 2 percent of salary for all years of service, instead of the present system of 1½ percent of salary for the first five years, 1¾ percent for following five years, and 2 percent for all years in excess of 10 years.

Rep. Joe Pool, D-Tex., offered another amendment to delete the provision in the subcommittee's bill that would give the Civil Service Commission authority to make future increases in employe salary contributions to the retirement fund.

The unions complained that this could result in employes eventually paying 10 or more percent of salary for their retirement benefits. Even through the subcommittee's bill contains a provision that the CSC action in raising employe salary contributions could be vetoed by either

House or Senate, the employe leaders feel that Congress would not be apt to veto such increases in employe contributions.

Most union leaders indicated they would support the bill, including the provision to raise employe salary contributions from 6½ to 7 percent, if the two amendments were approved.

The committee did not have time yesterday to vote on the two amendments and will meet again next Thursday.

If the two amendments are approved, it would be a good bargain for government employes.

In return for paying one-half percent more of their salaries for retirement benefits, they would get higher annuities on retirement by virtue of getting credit for unused sick leave, computation of annuities on the basis of a high three-year salary average instead of the present five-year average, a flat 2 percent computation rate based on years of service, unused sick leave credit also for higher survivor annuities if the employe dies before retirement, and several other benefits.

One feature in the bill long sought by the unions would enable employes to credit their total earnings, including premium pay for overtime, night differential, holiday pay, etc., for higher annuity purposes in return for salary contributions on these total earnings. At present only basic annual pay is counted for retirement computation purposes.

And, finally, the most important in the long run, is the fact that the bill contains a govern-

ment financing formula which will assure the retirement fund's financial stability and prevent it from going bankrupt.

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PAY RAISE EFFECT — Most federal classified employes will receive the 3 to 8.8 percent pay raise for the pay period which begins July 14. A relatively few will get their increases for the pay period starting July 7.

Postal workers will get their flat 5 percent pay raise for the pay period starting July 13.

Under the law approved last year by Congress and made official by President Johnson's executive order on Tuesday, the pay raises go into effect on the start of the first payday after July 1.

Incidentally, the pay raises will automatically increase the life insurance policies of hundreds of thousands of employes. Government employe life insurance policies are based on highest employes' salaries, and many will find themselves in the highest thousand dollar bracket.

* * * *

TRAINING — The House Civil Service Committee has approved a bill designed to facilitate the training of government employes.

It approved a revolving fund of \$4 million for the Civil Service Commission to conduct its schools and seminars for the training of government employes.

At present, the CSC has to put out the money and then wait a considerable time for the various federal agencies to reimburse it. The bill would give the CSC the funds it needs to carry out the program immediately, with the agencies still required to reimburse the commission.

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FUNERAL LEAVE — The House Civil Service Committee also approved a bill to grant administrative leave to federal employes to arrange the funerals of their children who died while on military duty.

The bill also would provide additional leave up to 22 days for federal employes in the national guard or military reserves who are called up to enforce the law in riots or civil disorders. Their civilian pay would continue and would be reduced by the amount of military pay.

* * * *

NEW INSTITUTE HEAD — Dr Frank P. Sherwood, director of the University of Southern California's school of public administration, has been appointed Executive Institute in Charlottesville, Va.

The Federal Diary

Federal Retirement Increase Is Approved



By Jerry Klutts

An increase from 6.5 to 7 per cent of salary in the retirement contributions made by Federal employes was tentatively approved yesterday by the House Post Office and Civil Service Committee.

The Committee did not complete action on the bill sponsored by Rep. Dominick Daniels (D-N.Y.), which provides numerous new retirement benefits.

When the Committee resumes its work a motion by Rep. Joe Pool (D-Tex.) will be in order. Pool wants stricken a provision that would increase contributions in the future through the Government reorganization process. Under that system, the Civil Service Commission would recommend an increase, say, from 7 to 7.5 per cent, and it would go into effect automatically unless either the House or the Senate opposed it by majority vote within 60 days.

Several employe unions are backing Pool. They want Congress to retain full control of employe contributions since in the past Congress has been reluctant to increase them. There was little controversy in the Committee over provisions in the bill to increase retirement benefits.

The Committee approved the compassionate-leave bill introduced by Chairman Thaddeus J. Dulski (D-N.Y.) to give up to three days off to a Federal employe to arrange for and to attend the funeral of a son who dies in the armed forces.

A second Dulski bill approved by the Committee would give National Guardsmen who are called to riot duty up to 22 days of additional leave.

Protective Parking: An informal and temporary arrangement has been worked out to allow 425 cars of Government Printing Office employes to park from 6 p.m. to 8:30 a.m. on the Capitol grounds.

cials, including members of Congress.

Lawrence S. Lewin has resigned from Post Office to join Fry Consultants here to concentrate on antipoverty and manpower activities. He was an assistant to former Postmaster General Lawrence F. O'Brien.

Cost-of-Living: Salary differ-

entials for Civil Service employes in Alaska, Hawaii, Puerto Rico and the Virgin Islands will continue unchanged for another year, according to the CSC.

The differentials are 25 per cent in Alaska, 15 per cent in Hawaii, and 5 per cent in Puerto Rico and the Virgin Islands.

GPO has contracted with bus operators to operate a shuttle during those hours between GPO and the parking areas. The parking and the bus service are without cost to the employes, who threatened to stop night work to protest increased crime near GPO, at North Capitol and H streets.

Cars will be protected by Capitol police, and the shuttle is considered safe. More police have been assigned to the GPO.

Night GPO workers carried their appeal for police protection to the President after some of them were victims of robberies and assaults as they went to or left work. Many members of Congress helped them to get the Capitol parking places.

At one point, there was concern over whether GPO would be able to continue printing the Congressional Record each night for the day Congress was in session.

There already is a shortage of skilled GPO workers and those available work 10 hours or so overtime each week. If any sizable group of employes had refused to work nights because of the crime problem GPO couldn't have made them work and it couldn't have continued printing the Record on time.

Meantime, GPO is working with the Redevelopment Agency to clear several areas near the GPO building to provide permanent parking.

CSC says it is "extremely pleased" to get a person of his professional standing to operate its training institute for high-ranking executives. Sher-

AID DEATHS: Twenty seven employes of the Agency for International Development who were either killed by enemy action or died in Vietnam since 1961 will get posthumous awards at an Agency ceremony here Friday. Twenty were killed by enemy action.

Awards also will be given 185 other AID employes here who have served at least a year in Vietnam. President Johnson recently directed agencies to give civilian service awards to employes who have service in Vietnam.

Assaults: The House-approved bill to make it a Federal offense to assault postal employes may be broadened in the Senate to include all Federal employes and offi-

Dulski Plans Bill to Liberalize U.S. Employees' Retirement Benefits

By JOSEPH YOUNG

Star Staff Writer

Rep. Thaddeus Dulski, D-N.Y., chairman of the House Civil Service Committee, this week will sponsor legislation to liberalize government employee retirement benefits.

The bill would do the following:

- Increase annuities on retirement by changing the computation formula so that when an employee completes 10 years of service, all past and future service will be creditable at a flat 2 percent rate. At present, the first five years are computed at a 1½ percent rate and the next five years at 1¼ percent.
- Increase survivor annuities to 60 percent of the annuity rather than the present 55 percent.
- Liberalize the survivorship formula so that the sum on which the 2½ percent reduction is applicable is changed from the present \$3,600 to \$4,800. A retiree would therefore have the 2½ percent deducted on the first \$4,800 of his annual annuity and 10 percent of all amounts over \$4,800. At present the 10 percent reduction is applicable on all amounts over \$3,600.
- Change the definition of basic

pay to include overtime, thereby increasing an employee's annuity when he retires. Employees' contributions to the retirement fund would include payment on their overtime pay.

- Change the cost of living adjustment formula so that future increases for federal retirees would be effective when the consumers price index rose by 2 percent and remained at that figure for at least two consecutive months rather than the present formula which requires a 3 percent increase over three consecutive months.

The legislation has the strong support of the powerful National Association of Letter Carriers and is regarded as the union's reply to the move in Congress to increase government employees' present 6½ percent of salary contribution to 7 percent to strengthen the financing of the civil service retirement system. The NALC's position is that if the unions are to support the 7 percent deduction, then present retirement benefits must be liberalized along the lines proposed in the bill.

LABOR HEARINGS PROMISED — Hearings in May on legislation that would give government employee unions collective bargaining rights have been promised by Rep. David Henderson, D-N.Y., chairman of the House Civil Service and Manpower subcommittee. Eighty-two such bills have been sponsored in the House.

In addition, seven senators have joined Sen. Daniel Brewster, D-Md., in co-sponsoring similar legislation in the Senate.

NEWS VIEWS



"For the last time, I

Democratic Sens. Harrison Williams of New Jersey, Edward Kennedy of Massachusetts, Joseph Clark of Pennsylvania, Joseph Tydings of Maryland and Walter Mondale of Minnesota; and Republicans Norris Cotton of New Hampshire and Mark Hatfield of Oregon.

Meanwhile, the President's review committee on presidential executive order 10988 on labor-management in government is expected to make its recommendations for changes in the program by the end of next month.

SILLY SEASON — The weekly publication, Federal Times, recently received a letter from Democratic national chairman John Bailey, which contained the greeting: "Dear Federal." Reminds us of the time a job applicant wrote a letter to the General Services Administration, with the salutation: "Dear General."

ASSAULT PROTECTION — A House Civil Service subcommittee headed by Rep. Robert Nix, D-Pa., is expected to approve a bill this week making it a federal offense to assault postal workers. The measure also provides that a postal employee who strikes another employee be discharged. This bill also has the strong backing of the National Association of Letter Carriers, which complains that there has been an alarming increase in assaults on mailmen.

James Rademacher, NALC vice president, cited hundreds of cases in which letter carriers have been severely beaten by thugs, thieves and disgruntled patrons. Rademacher said that these cases are usually handled as misdemeanors by cities and states.

Assistant Postmaster General Richard Murphy has given the administration's endorsement to the bill.

SUPER-GRADES — The House Civil Service Committee has approved a bill giving the government an additional 482 super-grade jobs (GS-16 through 18). All the Republican members of the committee who were present voted against the bill — an indication that Republicans in the House are going to pursue an economy course this year designed to block any legislation that costs money — even a relatively inexpensive bill such as

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camp at Lang Vei guarding the western approaches to Khe Sanh. These had come in from Laos along East-West Highway.

More tanks were spotted just 50 miles northwest of Saigon on Feb. 20, when a force of South Vietnamese irregulars and their Special Forces advisers came on an enemy battalion with three tanks and a half-tracked armored personnel carrier near the Cambodian border. After the fighting, in which none of the tanks fired, the enemy broke contact and fled to the west, presumably to Cambodia.

New Highway Used

The tanks in the Hue region today apparently traveled on a new high speed highway the North Vietnamese have built across the A Shau Valley from Laos 30 miles below the Khe Sanh fortress. The Communists drove a Green Beret unit out of the valley a year ago in heavy fighting.

In the Saigon area, a spokesman today reported U.S. troops had killed 114 more guerrillas in a clash northwest of the cap-

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Panama Chief Ousted; Foes' Offices Raided

PANAMA (AP) — National Guardsmen, supporting impeached President Mario A. Robles, smashed the headquarters of his chief opponent today and arrested an opposition leader and scores of demonstrators after the National Assembly swore in a new president.

The troops moved in two hours after twice-deposed ex-President Arnulfo Arias called for nationwide civil resistance — understood to mean a general strike — in support of the assembly's decision to convict Robles of unconstitutional political activity and oust him from office.

The assembly swore in First Vice President Max Delvalle as the new president, but Robles said he would ignore the ouster, and a make-or-break showdown seemed imminent.

The 4,000-man National Guard, the nation's only military force,

which is commanded by Brig. Gen. Bolivar Vallavino, announced it "cannot support" the assembly decision and said it would await an opinion from the Supreme Court, due to reconvene next Monday.

Witnesses said the guardsmen smashed windows and doors and moved in behind a barrage of tear gas bombs shortly after 2 a.m. at the two-story headquarters of the National Union, a five-party coalition opposed to Robles' government. The union includes Arias' Panamenista party and four other parties supporting his candidacy in the May 12 election.

Hildegrando Nocosia, the union's secretary-general, was among scores of demonstrators reported arrested in front of the headquarters. Nicosia told news-

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Army Admits Gas Is Suspect In 6,400 Utah Sheep Deaths

By JUDY RANDAL

Star Staff Writer

The Army admitted today that a gas used in tests at Dugway Proving Ground in Utah is "highly suspect" in the death of thousands of sheep near the area, but said there is now too little evidence to make it an open-and-shut case.

Brig. Gen. William W. Stone, office director of research and laboratories, U.S. Army Materiel Command, told an informal hearing in the office of Sen. Wallace F. Bennett, R-Utah, that "we and many others are working literally day and night until we find the answer to what happened."

Sheep in the remote Skull Valley area — 27 to 35 miles from Dugway — began dying March 14, a day after nerve gas tests were conducted. Since then, the Army has suspended tests of biological warfare agents sprayed by plane at Dugway.

Both state and federal experts are being consulted in the matter, Stone said. Blood tests, soil analyses and other relevant factors are being considered, he added.

In answer to questions submitted by the Utah congressional

delegation, Stone said that a nerve gas had been sprayed from the air before the catastrophe, but that the agent has been tested without accident for about 6 years.

It is a persistent or slow-to-evaporate chemical, he explained, and extensive safety precautions are associated with its use. There is no evidence that any of these was ignored, he said.

Although he declined to identify the agent for "reasons of security," Stone said that it is an organo-phosphorous substance that acts on the central nervous system by destroying an enzyme that in turn stops the transmission of nerve impulses.

One of the confusing aspects of the Utah situation is that chemicals similar to those in the nerve gas are also a component of many pesticides, weed-killers and treated feeds.

A spokesman for the Agriculture Department said that no traces had been found of such pesticides or weed-killers but that the possibility of the feeds as culprits remained.

Autopsies on some of the 6,400 dead sheep, he said, had re-

vealed no evidence either of infection or poisoning by plants.

Gen. Stone added that the sheep suffered from some, but not all, of the symptoms observed when experimental animals are exposed to the gas. He said, however, that the Army had never used sheep in its tests.

Witnesses at the hearing said there are 40 to 50 people living in the area where the sheep have died, and that all are being blood-tested for evidence of ill effects.

The estimated loss to Utah sheepmen to date is \$300,000.

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THE FEDERAL SPOTLIGHT

House Panel Adds Liberal Credits To Bill Raising Retirement Funding

By JOSEPH YOUNG
Star Staff Writer

The House Civil Service Retirement subcommittee has added more "goodies" to the bill increasing retirement financing to make it more palatable to federal and postal employees.

In return for increasing an employee's present contribution from 6½ percent of his salary to 7 percent and for a provision that could make this even higher in the future, the subcommittee has approved several provisions more liberal than it originally had intended.

One feature would allow employees to count their earnings from overtime, night differential and holiday premium pay as part of total earnings to bolster their annuities on retirement. At present, total earnings counted toward retirement are limited to basic annual salaries.

Employees, would, of course, have to pay their share of salary

to the retirement fund for the extra credit on total earnings.

Sick Leave Credit

Unused sick leave would be credited as additional length of service when an employee becomes eligible for retirement.

The added credit also would be applied to survivor annuities if the employee died before becoming eligible for retirement.

Combined with the bill's other liberalizations, the measure's sponsors hope these credits will persuade the big postal and federal employee unions to support the bill.

The other features include computing annuities on the basis of an employee's high three-year salary average rather than the present high five-year average; giving retirees a 1 percent bonus in addition to the 3 or more percent increase whenever the cost of living rises 3 percent or more; and permitting widows 60 or over whose husbands died or retired before 1966 to remarry and still retain their survivor annuities.

Payments on Liability

Perhaps the bill's most important provision is automatic Treasury contributions to pay the interest on the \$52 billion unfunded liability which would begin in 1970 and thus assure that the retirement fund won't go bankrupt in 1987.

Employee groups like this feature. But they are balking at raising employee contributions to 7 percent unless they get more liberalizations.

What worries them even more is that the bill gives the Civil Service Commission authority to raise employee contributions even higher in the future if it feels this is necessary to assure the fund's stability. Employees are not satisfied with the compromise worked out by the House group that such future increases would not go into effect if within 60 days the House or Senate disapproved of such an increase.

The bill's sponsors say such fears are not well founded. Only when Congress approves future substantial liberalization of civil service retirement benefits would the CSC consider raising employee salary contributions, jobs.

along with the government's contributions, they declare.

* * * *

NO PAY DELAY — Rep. Morris Udall, D-Ariz., chairman of the House Civil Service Compensation subcommittee, says there will be no delay of either this year's or next year's federal and postal employee pay raises.

"Don't believe the rumors you hear," he told the Society for Personnel Administration's annual conference. "The pay raises will go into effect July this year and on July 1, 1969, as scheduled."

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MORE TEMPORARY PROMOTIONS — The Civil Service Commission has asked government agency and employee unions to comment on its proposal designed to give federal employees greater opportunities for temporary promotions.

The CSC pointed out that there now are numerous instances where employees are detailed to higher job duties but they receive no increase in pay. This is because when an employee is given a temporary promotion and the assignment is ended, the agency has to take adverse action to reassign him to his old job.

The commission pointed out that this leaves a blot on the employee's personnel record, with the implication that he had not performed his job satisfactorily. Consequently, agencies have hesitated to make temporary promotions.

The CSC's proposes that after an employee completes his temporary assignment he be reassigned to his old job without any adverse action procedure. And during the time he spends in his temporary promotion, he would get higher pay, including higher retirement coverage, life and health insurance and within-grade pay increases, as well as consideration for permanent promotion.

The CSC previously had asked agencies to stop the practice of detailing employees to higher-grade jobs without giving them at least temporary promotions, but the agencies pointed out that the present rules made this difficult on employees when they were reassigned to their old jobs.